

**Assembly Bill No. 2677**

\_\_\_\_\_

Passed the Assembly    August 16, 2004

\_\_\_\_\_  
*Chief Clerk of the Assembly*

\_\_\_\_\_

Passed the Senate    August 10, 2004

\_\_\_\_\_  
*Secretary of the Senate*

\_\_\_\_\_

This bill was received by the Governor this \_\_\_\_\_ day of  
\_\_\_\_\_, 2004, at \_\_\_\_\_ o'clock \_\_M.

\_\_\_\_\_  
*Private Secretary of the Governor*

└

## CHAPTER \_\_\_\_\_

An act to add Chapter 10.27 (commencing with Section 672) to Part 1 of Division 1 of the Insurance Code, relating to insurance.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2677, Ridley-Thomas. Auto insurance: cost estimates.

Under existing law, the Insurance Commissioner generally regulates automobile insurers.

This bill would require an insurer licensed to sell personal automobile insurance to provide consumers of that insurance with a cost estimate for its lowest priced personal automobile insurance policy at the limits the consumer has requested and for which the consumer is eligible. It would require an insurer to meet this requirement by maintaining a toll-free telephone number or an Internet Web site, as specified. The bill would require an insurer to provide the toll-free telephone number or the Internet Web site address to the commissioner, and would require the commissioner to make this information available on the department's Internet Web site and through the department's consumer toll-free telephone line.

*The people of the State of California do enact as follows:*

SECTION 1. Chapter 10.27 (commencing with Section 672) is added to Part 1 of Division 1 of the Insurance Code, to read:

## CHAPTER 10.27. AVAILABILITY OF COST ESTIMATES

672. (a) Every admitted insurer or insurer group licensed to sell automobile insurance shall provide consumers of personal automobile insurance, as described in Section 660, with a cost estimate for its lowest priced personal automobile insurance policy at the limits the consumer has requested and for which the consumer is eligible.

(b) The insurer shall meet this requirement by either or both of the following:

(1) Maintaining a toll-free telephone number available to consumers in any geographic area in which the insurer is



authorized or approved to write business in California. Upon request, the insurer shall provide the consumer with a cost estimate, or shall refer the consumer to an insurer representative or insurance broker-agent who shall, upon request, provide such an estimate based upon information provided by the consumer. The insurer shall make this toll-free number available to the consumer by maintaining a listing in the toll-free telephone directory.

(2) Maintaining an Internet Web site where consumers can obtain a cost estimate online, or be referred to an insurer representative or insurance broker-agent who shall, upon request, provide the cost estimate based upon information provided by the consumer.

(c) Each insurer shall provide the toll-free number or the Internet Web site address, or both, to the commissioner, who shall make the information available on the department's Internet Web site and through the department's consumer toll-free telephone line.



Approved \_\_\_\_\_, 2004

\_\_\_\_\_  
*Governor*

